



5/25/05

## FINAL PASSAGE

### **SB 92 (Bishop)**

### **SB 521 (Bishop)**

SB 92 would allow a taxpayer to claim a credit against taxes due when providing an equity investment for a business. The practice is commonly referred to as "angel investing." The bill would reduce income tax revenue by a maximum of \$10 million, and this loss in income tax revenue would most likely be realized over at least two years beginning in 2007-08.

- Committee 1 (S-2) was adopted.
- SB 92 was moved to 3<sup>rd</sup> Reading.
- SB 92 passed [RC 167: 33 yes, 5 no].

SB 521 would allow an individual to deduct a realized capital gain as an equity investment in a qualified business or community based seed capital company under. Specifically, the bill would allow an investor to rollover a capital gain into an "angel investment" without paying a tax on the gain.

- Committee 1 (S-1) was adopted.
- SB 521 was moved to 3<sup>rd</sup> Reading.
- SB 521 passed [RC 168: 35 yes, 3 no].

### **SB 168 (McManus)**

SB 168 would provide that, in a charitable auction, only the fair market value of the item purchased will be used to calculate the sales tax. The tax write-off would be the lesser of the fair market value or the price actually paid for the item. therefore, if someone overpays for an item, as people often do a charity auctions, the price paid for tax calculation will be reduced to the fair market value. The bill is limited to health, welfare, educational, cultural and charitable organizations.

- Committee 1 (S-1) was adopted. (5/24)
- SB 168 was moved to 3<sup>rd</sup> Reading.
- SB 168 passed [RC 162: 36 yes, 0 no]. (5/25)

### **SB 221 (McManus)**

### **SB 222 (BARCIA)**

SBs 221-22 allow a taxpayer to claim a credit against the income tax or the single business tax for the placement of a cellular tower in an "underserved area" (a county with a population of 70,000 or less).

Support: T-Mobile Wireless, Cingular Wireless -- Many of the 57 counties with a population of 70,000 or less received no new cell towers last year, while the others received only a very limited number. The absence of reliable cell phone service can have negative consequences for rural areas. For example, if a business depends on the use of cell phones, particularly by personnel who travel and must communicate en route, the firm might choose not to locate or expand in an area without enough cell towers. Also, individuals who vacation in rural areas or along the Great Lakes may be discouraged when they lose cell service on the road or at their destination.

Oppose: Mich. Dept. of Treasury -- The definition of cellular tower is too broad and could include items that were not intended by the bill's author. Individuals are compensated by the company for putting cellular towers on their property so why so they also receive a tax break.

SB 221 would create a \$250 (non-refundable) tax credit for a taxpayer who allowed a cell phone tower to be placed upon their property. The bill would cost \$70,500 through 2006 and could cost an additional \$25,000 per year after that.

- Committee 1 (S-1) was defeated.
- McManus 2 (S-2) was adopted.
- SB 221 was moved to 3<sup>rd</sup> Reading.
- SB 221 passed [RC 163: 27 yes, 9 no].

SB 222 would create a \$500 (non-refundable) tax credit for a taxpayer who allowed a cell phone tower to be placed upon their property. The bill would cost \$70,500 through 2006 and could cost an additional \$25,000 per year after that.

- Van Woerkom 1 (S-1) was adopted.
- SB 222 was moved to 3<sup>rd</sup> Reading.
- SB 222 passed [RC 164: 28 yes, 9 no].

### **SB 298 (Kuipers)**

SB 298 would allow a qualified high-technology business to apply for an exemption from fees charged for additional authorized shares, for up to eight consecutive tax years or tax years in which the business had under \$10 million in gross revenue. This bill could reduce the amount of revenue generated from corporations' fees by \$600,000 to \$800,000.

- Committee 1 (S-1) was adopted [no RC]. (5/18)
- SB 298 was moved to 3<sup>rd</sup> Reading.
- SB 298 passed [RC 159: 26 yes, 11 no]. (5/25)

### **SB 398 (Stamas)**

SB 398 would require the Natural Resources Commission, in conjunction with the Department of Natural Resources, to submit a plan that would promote multi-jurisdictional recreational opportunities for residents of and visitors to the Great Lakes region. The Commission would have submit the plan, within one year after the bill's effective date, to the Governor and the standing committees of the Legislature with primary jurisdiction over natural resources and the environment. The plan would have to include mechanisms to share recreational

opportunities such as snowmobiling, boating, off-road vehicle use, hunting, fishing, and other recreational pursuits within the Great Lakes states. The plan also would have to include mechanisms to expand tourism related to the pursuit of recreational opportunities within the Great Lakes states.

- Committee 1 (S-3) was adopted.
- SB 398 was moved to 3<sup>rd</sup> Reading.
- SB 398 passed [RC 165: 38 yes, 0 no].

#### **SB 415 (McManus)**

SB 415 would require the Department of Natural Resources to seek to enter into agreements other states for the sharing of records of convictions involving snowmobiling offenses.

- Committee 1 (S-2) was defeated.
- McManus 2 (S-3) was adopted.
- SB 415 was moved to 3<sup>rd</sup> Reading.
- SB 415 passed [RC 166: 38 yes, 0 no].

#### **SB 525 (Bishop)**

SB 525 would change the date a Michigan early state venture investment corporation shall incorporate under the nonprofit corporation act from September 1, 2004 to August 1, 2005. The U.S. Internal Revenue Service has ruled that the Michigan Early Stage Venture Investment Corporation qualifies as a tax-exempt organization; however, this approval came after September 1, 2004, which under current law was the deadline for receiving such approval from the IRS. Therefore, changing the date by which this IRS approval must be received to August 1, 2005, as proposed by the bill, would correct this timing problem. This is viewed as a technical change and would have no fiscal impact.

- Committee 1 (S-1) was adopted.
- Bishop 1A (1 amend) was adopted.
- SB 525 was moved to 3<sup>rd</sup> Reading.
- SB 525 passed [RC 169: 38 yes, 0 no].

#### **HB 4602 (LaJoy)**

HB 4602 would exclude "installing traffic signs and signal devices" as one of the activities within the definition of "routine maintenance." The bill would correct the inadvertent misplacement of traffic sign and signal device installation and replacement under the category of "routine maintenance." This would allow a county road commission to place expenditures for traffic sign and signal installation and replacement on the capital side of the ledger to show their true book value.

- Committee 1 (S-1) was adopted. (5/24)
- HB 4602 was moved to 3<sup>rd</sup> Reading.
- HB 4602 passed with IE [RC 160: 36 yes, 0 no]. (5/25)

#### **HB 4677 (Law)**

HB 4677 would designate the part of M-10 in Oakland County (between I-696 and Orchard Lake Road) as the "Holocaust Memorial Highway". The portion of M-10 that would be designated the "Holocaust Memorial Highway" is located near the Holocaust Memorial Center on Orchard Lake Road in Farmington Hills.

- *HB 4677 was moved to 3<sup>rd</sup> Reading. No amendments. (5/24)*
- *HB 4677 passed with IE [RC 161: 36 yes, 0 no]. (5/25)*

## THIRD READING

### **SB 384 (SCOTT)**

SB 384 would create a new act to declare that the third Saturday in June of each year be known as "Juneteenth National Freedom Day" and that November 26 of each year be known as "Sojourner Truth Day". The bill states, "The legislature . . . observes that congress passed the thirteenth amendment to the United States constitution on January 31, 1865, abolishing slavery throughout the United States and its territories . . . News of the amendment reached the states at different times and it was not until June 19, 1865 that the message of freedom reached the slaves in the western states." Additionally, the bill states, "The legislature recognizes the fundamental contribution Sojourner Truth made to the cause of abolition of slavery and the establishment of equal rights for women . . . Designating Sojourner Truth Day in the state of Michigan will not only acknowledge the importance of this national figure in the antislavery and human justice movements, but will also recognize her strong ties to the state during her 26 years of residence here."

- *Committee 1 (S-1) was adopted.*
- *SB 384 was moved to 3<sup>rd</sup> Reading.*

### **SBs 252-54 (BASHAM)**

SB 252 would require that notice of a proposed (township) rezoning include a listing of all existing addresses within the property proposed for rezoning.

- *Committee 1 (S-1) was adopted.*
- *SB 252 was moved to 3<sup>rd</sup> Reading.*

SB 253 would require that notice of a county zoning commission's public hearing on a recommended zoning ordinance amendment be mailed to all owners of property within the affected area and that the notice include a listing of each street address within the affected area.

- *Committee 1 (S-1) was adopted.*
- *SB 253 was moved to 3<sup>rd</sup> Reading.*

SB 254 would provide that notice of a proposed (city and village) rezoning and hearing would have to include a list of all existing street addresses within the property proposed for rezoning.

- *Committee 1 (S-1) was adopted.*
- *SB 254 was moved to 3<sup>rd</sup> Reading.*

## RESOLUTIONS

### **HCR 8 (Schuitmaker)**

HCR 8 would urge the United States Nuclear Regulatory Commission to extend the operating license of the Palisades Nuclear Power Plant.

- HCR 8 was adopted [no RC].

### **HCR 9 (Proos)**

HCR 9 would urge the United States Nuclear Regulatory Commission to extend the operating license of the D.C. Cook Nuclear Power Plant.

- HCR 9 was adopted [no RC].